

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 276 - SB 231**

February 9, 2023

**SUMMARY OF BILL:** Increases the Minority Teaching Fellows Program (MTFP) award amount from \$5,000 to the cost of tuition and fees at the institution in which the recipient is enrolled. Prohibits the award from exceeding the average cost of tuition and fees at public institutions of higher education.

**FISCAL IMPACT:**

**Increase State Expenditures - \$199,800/FY23-24**

**Exceeds \$199,800/FY24-25 and Subsequent Years**

**Assumptions:**

- Pursuant to Tenn. Code Ann. § 49-4-706, the MTFP is a loan forgiveness program in which the Tennessee Students Assistance Corporation (TSAC) will forgive all loan balances awarded to recipients who meet certain requirements such as teaching in a minority school district for up to three consecutive years in a seven-year timeframe.
- It is anticipated that all awarded loan recipients will meet the required criteria for the loan forgiveness program resulting in an increase to state expenditures from the General Fund.
- The current MTFP award is \$5,000 annually.
- The average cost for tuition and fees is estimated to be \$10,244.
- Based on information provided by the TSAC, the current number of MTFP enrollees is 36.
- There is an estimated increase of three percent for tuition and fees resulting in an average cost of \$10,551 (\$10,244 x 103%) for tuition and fees in FY23-24.
- The increased award amount for each recipient is estimated to be \$5,551 (\$10,551 new award - \$5,000 current award) in FY23-24.
- The increase in state expenditures from the General Fund is estimated to be \$199,836 (\$5,551 new reward x 36 recipients) in FY23-24.
- It is estimated that each year there will be an increase in tuition and the total number of reward recipients which will result in a recurring increase in state expenditures from the General Fund exceeding \$199,836 in FY24-25 and subsequent years.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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